



FOR IMMEDIATE RELEASE

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MAYOR JERRY SANDERS
FACT SHEET

**SAN DIEGO GARNERS HIGHEST RATINGS FOR
NOTES TO BE OFFERED THIS MONTH**

San Diego Mayor Jerry Sanders announced today that all three Wall Street bond-rating firms have given the city of San Diego the highest possible rating for the short-term notes the city will offer to investors later this month.

The top ratings by Standard & Poor's, Moody Investor Services and Fitch Ratings signify confidence in the city's ability to honor its repayment obligations on its Tax Revenue Anticipation Notes (TRANs). The practical effect of the highest rating is reduced interest rate on TRANs – meaning reduced cost to taxpayers.

“These top ratings are validation of San Diego's credit worthiness with investors and reflect all the work we've done to stabilize our city's finances,” said Sanders.

This is the first time since 2003 that the city has received top ratings on TRANs from all three agencies. From 2004-2008, the city was unable to borrow in the public bond markets due to investigations into disclosure violations and delay in the release of city audits. The shutout forced the city to finance its capital and cash flow needs through more costly private offerings.

In 2008, the city's financial staff completed five years' worth of backlogged audits, and San Diego returned to the public bond markets in early 2009. For the planned 2010 TRANs, the city achieved top ratings: SP1+ from S&P – an improvement from last year's SP1 rating; MIG1 from Moody's; and F1+ from Fitch.

San Diego will take \$167 million in TRANs to the market in mid-June. The funds enable the city to meet its temporary cash flow needs for fiscal year 2011 and are paid back with tax revenue as it comes in through the year.

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